

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7569

BILL NUMBER: SB 235

DATE PREPARED: Jan 21, 2001

BILL AMENDED:

SUBJECT: Septic system grants.

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FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill permits the Budget Agency to provide grants to political subdivisions from the Supplemental Drinking Water Assistance Fund for specified purposes related to health, sanitation, and safety concerns associated with sewage disposal systems. The bill directs the Budget Agency to establish terms and conditions under which it will provide the grants.

Effective Date: Upon passage; July 1, 2001.

Explanation of State Expenditures: (Revised) Currently, local units can apply for grants from the Supplemental Drinking Water and Wastewater Assistance Fund to fund improvements associated with public water systems and for wastewater or storm water collection and treatment systems. This bill permits the Budget Agency to make grants to political subdivisions for educational efforts designed to improve the sanitation and safety of sewage disposal systems. Since 1995 approximately \$70M has been appropriated to the fund. The majority of the appropriation has been used for grants with about \$20M in ongoing loans. The impact of the above proposal is indeterminable and will depend on the number and nature of additional grants that result.

The Budget Agency must establish the terms and conditions under which it will make the grants. Costs associated with the administration of the supplemental fund are to be paid from money in the fund.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Local units may be eligible to receive grants for educational efforts designed to improve the sanitation and safety of sewage disposal systems.

State Agencies Affected: Budget Agency

Local Agencies Affected: Political Subdivisions.

Information Sources: Rich Emery, State Budget Agency, 232-0759.